

INTER-OFFICE MEMORANDUM

Office of Accounts and Control

TO: Chief Financial Officers
State Departments and Agencies

DATE: March 4, 2002

FROM: Lawrence C. Franklin, Jr., State Controller

SUBJECT: LIQUIDATING FISCAL YEAR END 2001 ACCOUNTS PAYABLE

The accounting procedures that will apply to all accounts payable that were established during the close of fiscal year ended June 30, 2001 are outlined below. During fiscal year 2001 all accounting and payment transactions were recorded in the legacy appropriation accounting system. As part of closing the books at the end of fiscal year 2001, several departments submitted requests to establish accounts payable. The requested amounts were posted as expenditures in fiscal year 2001.

Also, as a result of reviewing payments made in July and August, 2001 other accounts payable were established as part of the preparation of financial reports. These accounts payable were not recorded before the books were closed. Therefore, they do not appear on the final Statement A for June 30, 2001.

Beginning on July 16, 2001 all accounting and payment transactions were posted to RI-SAIL. Payment of these accounts payable will result in the same expenditure amounts being recorded in RI-SAIL in fiscal year 2002.

The following procedures will prevent the "double counting" of these payments. Payment of the fiscal year 2001 accounts payable will be entered into RI-SAIL by state agencies using their "current appropriation account number" in fiscal year 2002. The Office of Accounts and Control will post the FY 2001 accounts payable in fiscal year 2002 as expenditure credits in RI-SAIL. The result will be a payment check issued in fiscal year 2002, although no expenditure will be recorded in fiscal year 2002.